

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

7155 Janes B. LLC, 7155 Janes L. LLC and)
7155 Janes M. LLC)
)
Plaintiffs,) **Case Number:**
-vs-)
)
Alta Colleges, Inc.) **District Judge:**
Defendant)
)
) **Magistrate Judge:**

COMPLAINT FOR BREACH OF LEASE

Plaintiffs 7155 Janes B. LLC, 7155 Janes L. LLC and 7155 Janes M. LLC, by Gerald B. Lurie, one of their attorneys, state the following as their Complaint against Defendant Alta Colleges, Inc.:

PARTIES AND JURISDICTION

1. Defendant Alta Colleges, Inc. (“Alta”) is a corporation formed under the laws of the State of Delaware, with its principal place of business in the State of Colorado. On June 1, 2016, Alta filed a Certificate of Dissolution in the Office of the Delaware Secretary of State. Pursuant to 8 Del. C. 1953, § 278, Alta’s existence continues for three years following its dissolution for the purpose, inter alia, of defending civil suits against it.

2. Plaintiffs 7155 Janes B. LLC, 7155 Janes L. LLC and 7155 Janes M. LLC (Collectively “the Janes LLCs”) are each limited liability companies formed under the laws of the State of Illinois. All of the members of the Janes LLCs are citizens of the State of Illinois.

3. Jurisdiction of this Court is based on diversity of citizenship, 28 U.S.C. §1332. There is complete diversity and the matters in controversy, exclusive of interest and costs, exceed the sum of \$75,000.00.

CAUSE OF ACTION

4. The Janes LLCs, as Landlord and Alta, as Tenant are parties to a lease dated June 22, 2001, as amended by a First Amendment dated November 2010 and a Second Amendment dated December 2013, demising to Alta the building (the “Building”) described as 7155 Janes Avenue, in Woodridge, Illinois. Copies of the Lease, the First Amendment and the Second Amendment (hereinafter referred to collectively as the “Lease”) are submitted herewith as Exhibits 1, 2 and 3, respectively. The Term of the Lease extends through February 28, 2017. Until March 2016, Alta used the Building for the operation of a Westwood College facility.

5. Alta paid the rent due under the Lease through February 28, 2016. Alta vacated the Building in March 2016 and defaulted under the Lease by failing to pay March 2016’s rent after being served with Landlord’s notice to Alta of Alta’s failure to pay March 2016’s Rent.

6. Upon Alta’s default under the Lease, and pursuant to paragraph 7.7 of the First Amendment, \$182,285.00 in Deferred Rent became immediately due to the Janes LLCs from Alta. Upon Alta’s default, the Janes LLCs applied Alta’s \$93,262.82 Security Deposit to the Deferred Rent, leaving a balance of \$89,022.18 in Deferred Rent now due from Alta to the Janes LLCs. In addition, Alta owes the Janes LLCs Rent due for the month of March 2016, in the amount of \$30,554.96.

7. Upon Alta’s vacating the Building, the Janes LLCs took possession of the Building and, pursuant to the provisions of paragraph 21.1(3) of the Lease, elected to treat Alta’s default as an anticipatory breach of the Lease, entitling the Janes LLCs (a) to terminate the lease as of March 31, 2016 and (b) to recover damages equal to the amount by which the then present value of the Rent which would have accrued over the remaining Term of the Lease exceeds the aggregate market rental value of the Building over the remaining Term.

8. As of April 1, 2016, the present value of the Rent which would have accrued over the remaining Term of the Lease is \$487,103. The Janes LLCs have determined that due to the unique purpose for which the Building was constructed and used, the cost of renovating and refurbishing the Building for the purpose of reletting the Building to another user exceeds the aggregate rental value of the Building over the remaining Term of the Lease, so that the aggregate rental value of the Building over the remaining Term of the Lease is zero. Therefore, the amount of damages due the Janes LLCs under paragraph 21.1(3) is \$487,103.

9. The Janes LLCs have performed all of their obligations to Alta under the Lease.

REQUEST FOR RELIEF

WHEREFORE, Plaintiffs 7155 Janes B. LLC, 7155 Janes L. LLC and 7155 Janes M. LLC request the entry of judgment in their favor and against Alta Colleges, Inc. for \$606,680.14 comprised of (a) \$89,022.18 in Deferred Rent, (b) \$30,554.96 for March 2016 Rent, and (c) \$487,103 as the amount by which the present value, as of April 1, 2016, of the Rent which would have accrued over the remaining Term of the Lease exceeds the aggregate market rental value of the Building over the remaining Term, plus interest at 14% pursuant to paragraph 4.7 of the Lease, and an award of attorneys' fees pursuant to paragraph 21.3 of the Lease

Respectfully submitted,

7155 Janes B. LLC, 7155 Janes L. LLC and
7155 Janes M. LLC,

By: _____ /s/ Gerald B. Lurie
One of Its Attorneys

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